



Testimony before the Human Services Committee

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Good morning, Senator Musto, Representative Tercyak and Members of the Human Services Committee. I am Claudette J. Beaulieu, Deputy Commissioner for Programs at the Department of Social Services. I am here this morning to present testimony on several bills introduced by your committee that have impact on the department.

S.B. No. 840 (RAISED) AN ACT CONCERNING EDUCATIONAL ACTIVITIES FOR PARTICIPANTS IN THE JOBS FIRST PROGRAM.

This legislation would create an additional option for Temporary Family Assistance (TFA) clients to receive a six-month extension of TFA benefits in order to continue an approved work activity. This option would extend to a TFA-eligible adult who is enrolled in an adult basic education, vocational education and/or subsidized employment activity.

We currently provide six-month extensions in the following circumstances:

- domestic violence or physical harm to the family's children
- the adult has 2 or more substantiated barriers to employment
- the adult is working but earning less than the family's Temporary Family Assistance payment standard

This new legislation cannot be supported at this time because it will increase state expenditures for the additional six-months in the following state funding areas – TFA, Jobs First Employment Services (JFES) special benefits, JFES vocational education and/or subsidized employment, and child care assistance.

Proposed H.B. No. 5432 AN ACT CONCERNING LIMITS ON SANCTIONS UNDER THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM.

HB 5432 proposes to eliminate the termination of TFA benefits to the family if only one family member is in non-compliance with program rules and seeks a review by DSS before withholding occurs.

We understand that the intent of the bill is to be more lenient on families. However, we believe we already have a process in place that adequately addresses the issue of non-compliance and provides multiple opportunities for client needs and barriers to be addressed. Currently, the number of households with a sanction is 280, which represents 3% of the caseload required to participate in work-related activities. Also, during the last calendar year, DSS received 3,100 client referrals for employment non-compliance. Our current process provides for a thorough review before and discussion with the client before a sanction is imposed. Relaxation of the current sanction process could lead to fewer people complying with employment requirements and possibly failure to meet our work participation rate, resulting in a reduction in our TANF block grant.

H.B. No. 5558 (COMM) AN ACT CONCERNING EDUCATIONAL OPPORTUNITIES FOR RECIPIENTS OF TEMPORARY FAMILY ASSISTANCE BENEFITS UNDER THE JOBS FIRST PROGRAM.

The department is opposed to HB 5558 because it violates federal work activity requirements as defined in the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA).

HB 5558 would allow adult basic education and/or GED preparation to count toward the federal TANF participation requirements in a way that the federal TANF regulations do not allow. The federal work activity requirements are spelled out in federal TANF regulations and those regulations define countable work activities.

Passing this law will not allow Connecticut to make ABE and GED prep courses satisfy the first 20 hours of work experience or employment required under TANF rules. However, satisfactory, full-time attendance in high school by a teen parent who is head of household on TFA does count toward the participation rate regardless of the number of hours.

The text of the relevant federal regulations concerning work hours and countable work activities follows:

§ 45 CFR Part 261.31 How many hours must a work-eligible individual participate for the family to count in the numerator of the overall rate?

- (a) A work-eligible individual counts as engaged in work for a month for the overall rate if:
 - (1) He or she participates in work activities during the month for at least a minimum average of 30 hours per week; and
 - (2) At least 20 of the above hours per week come from participation in the activities listed in paragraph (b) of this section.
- (b) The following nine activities count toward the first 20 hours of participation: Unsubsidized employment; subsidized private-sector employment; subsidized public-sector employment; work experience; on-the-job training; job search and job readiness assistance; community service

programs; vocational educational training; and providing child care services to an individual who is participating in a community service program.

(c) Above 20 hours per week, the following three activities may also count as participation: Job skills training directly related to employment; education directly related to employment; and satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence.

H.B. No. 6218 (RAISED) AN ACT ESTABLISHING A TASK FORCE ON SAFETY NET SERVICES.

This legislation would establish a task force to develop proposals to improve access to safety net services and names the commissioner of social services as a member.

The department is interested in improving access to all of services and we are in the process of implementing an extensive plan to revamp how we deliver services to our clients.

However, it appears that the study would duplicate efforts encompassed in last session's Children in Recession bill.

Proposed H.B. No. 5427 AN ACT CONCERNING THE INCLUSION OF CHIROPRACTIC SERVICES AS AN OPTIONAL SERVICE UNDER THE MEDICAID PROGRAM.

The proposed legislation would require that section 17b-28e of the general statutes be amended to include chiropractic services as an optional service under the Medicaid program. The department is opposed to this proposal because the addition of chiropractic services at this time will require a significant outlay of additional state funds to support the optional service.

H.B. No. 5560 (COMM) AN ACT CONCERNING AN EVALUATION OF THE MEDICAID PROGRAM.

While we do not oppose having any of our programs evaluated, in particular Medicaid, our major concerns with this bill are the costs associated with it: the resources that would be needed at DSS, the cost of the contractor to conduct the study and the cost of collecting data, etc.

Proposed H.B. No. 5561 AN ACT ALLOWING CHILDREN TO ACCOMPANY THEIR PARENTS TO MEDICAL APPOINTMENTS UNDER THE MEDICAID PROGRAM.

This legislation would allow Medicaid recipients using non-emergency medical transportation (NEMT) to take their children to appointments with them.

Section 42 CFR 440.170 defines NEMT as a service provided for “recipients” such that the recipient may receive medical treatment. The federal section allows others to ride with the recipient and for Medicaid to cover the cost of the additional rider when the additional person is required, for medical purposes, to accompany the recipient. The section does not allow Medicaid to pay the cost of others riding in a vehicle when their presence is not germane to the medical service.

The department is opposed to this proposed language because it would result in increased cost to the state. Moreover, since this additional charge would not be medically necessary, the Department would not be able to receive federal financial participation for the additional charge related to children riding in the vehicle.

Allowing children to accompany parents to medical appointments in livery vehicles would also potentially increase the oversight costs to assure that the children accompanying their parent to the medical appointment and not using the benefit for some other purpose. Additionally, resources may need to be provided to the broker and transportation providers if this provision were adopted.

§ 42 CFR 440.170 Any other medical care or remedial care recognized under State law and specified by the Secretary.

(a) *Transportation.*

(1) “Transportation” includes expenses for transportation and other related travel expenses determined to be necessary by the agency to secure medical examinations and treatment for a recipient. Such transportation does not include transportation of school-age children from home to school and back.

(iii) The cost of an attendant to accompany the recipient, if necessary, and the cost of the attendant’s transportation, meals, lodging, and, if the attendant is not a member of the recipient’s family, salary.

Proposed S.B. No. 9 AN ACT CONCERNING MEDICAID ELIGIBILITY.

SB 9 seeks to amend the Medicaid income eligibility levels in 17b-261, which outlines the Medically Needy Income Limit (MNIL) and the HUSKY income limits. While this testimony is specific to the MNIL, any increase in eligibility is going to result in a cost. Currently, the Medicaid Medically Needy Income Limits (MNILs) for most of Connecticut are \$506.22 per month for a single individual and \$672.10 per month for a couple. The MNILs are higher in most towns in the Fairfield County area due to the higher cost of living. These MNILs are \$610.61 for a single person and \$777.92 for a couple. Additionally, the first \$278 of aged, blind or disabled individuals’ unearned income, such as Social Security or pensions, is disregarded.

After disregarding the first \$278 of unearned income, the income of an individual or couple is compared to the appropriate MNIL. If the income is under the MNIL, the person is eligible. Individual or couples with incomes over the MNIL can deduct medical

expenses that they are responsible for from their incomes until their incomes are below the MNIL. This is referred to as a 'spenddown.'

Increasing the MNILs would shift a portion of spenddown expenses to the Medicaid program. For example, a \$25 increase in the MNIL means that an individual would have up to \$25 more per month in medical expenses covered by Medicaid. With over 2,500 individuals receiving Medicaid as spenddowns, a \$25 increase in the MNIL represents an annual cost of up to \$750,000 (\$25 increase per month x 12 months x 2,500 clients). An increase in the MNIL would also allow other individuals, who currently do not have enough medical expenses to qualify as a spenddown, to become eligible for Medicaid.

While the department recognizes the benefit that an MNIL increase would provide to aged, blind and disabled individuals, we cannot support this proposed legislation due to its cost in these difficult economic times.

**S.B. No. 103 (COMM) AN ACT CONCERNING THE AVAILABILITY OF
PODIATRY SERVICES UNDER THE MEDICAID PROGRAM.**

The bill would require that, not later than October 1, 2011, the Commissioner of Social Services shall amend the Medicaid state plan to include podiatry services as an optional service under the Medicaid program.

While we support the concept and are willing to explore it further a cost effectiveness evaluation would need to be completed to ensure that this expansion does not result in a net state cost to the budget.

**S.B. No. 128 (COMM) AN ACT CONCERNING EXPANSION OF THE
CONNPACE APPLICATION PERIOD.**

Since the inception of Medicare Part D, enrollment in the ConnPACE program has decreased significantly. Enrollment dropped once again when the income limits were raised in the Medicare Savings Program (MSP). We saw a significant shift of ConnPACE members to the MSP program, leaving current enrollment very low. With these options available for elders to take advantage of, the need for ConnPACE is not as critical as it once was.

The ConnPACE enrollment period was recently changed to be in line with the Medicare Part D open enrollment period. We have received very few complaints/appeals since the implementation of the enrollment period and have experienced a smooth transition.

The need for ConnPACE is not as great as it used to be and most individuals are not as dependent on the ConnPACE program as in the past. The department's recommendation is to keep the enrollment period as is – in line with the Medicare Part D open enrollment period. Currently 26,435 of the 26,992 ConnPACE enrollees are enrolled in Part D. Therefore, we feel that consistency with the Medicare D makes the ConnPACE

enrollment period easier for the elderly population, as they have one single enrollment period for both programs.

S.B. No. 851 (RAISED) AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE HUMAN SERVICES STATUTES.

The provisions of the bill are purely technical and supported by the department.

As you know, the Governor proposed moving the program to an ASO model therefore we do not feel that the changes proposed in section 13 will be necessary in the new environment.

Thank you for this opportunity to appear before you today and I would be happy to answer any questions you may have.